

Amend Government Code Section 15606.5 and Revenue and Taxation Code Sections 670 and 671 to allow the Board to deliver online continuing education training to certificated property tax appraisers through established web based systems maintained by community colleges that charge fees for online courses.

Source: Property and Special Taxes Department

Existing Law

Under Revenue and Taxation Code Section 670 (effective 1967) any person performing the duties of an appraiser for property tax purposes as an employee of the state, any county, or any city and county must hold a valid appraiser's certificate issued by the State Board of Equalization (Board). Sections 670 through 673, and Property Tax Rules 281 through 284, govern the issuance of such certificates.

For property tax purposes, Rule 281 defines an appraiser as one who renders value judgments and/or makes building classification judgments for cost estimating purposes in the administration of the valuation phase of ad valorem property taxation under Article XIII and Article XIII A of the California Constitution. Rule 282 requires the Board to issue a qualified applicant, performing the duties of a property tax appraiser, a temporary appraiser's certificate which is valid for a one year period and allows an appraiser to perform the duties of a property tax appraiser during the one year training period.

In order to continue performing appraisal duties after the expiration of the training period, a permanent appraiser's certification must be achieved within one year of employment. A permanent appraiser's certification is granted when an individual attains a passing grade on an examination, prepared or approved by the Board, which covers fundamental property tax appraisal concepts. Once granted, the permanent appraiser's certificate remains valid, subject to the 24 hour annual training requirement set forth in Section 671 and Rule 284, for as long as the individual performs the duties of an appraiser for property tax purposes. There are approximately 2,800 certificated appraisers statewide.

Generally, certificated appraisers must annually complete 24 hours of continuing education to retain their certificate. Some of this training is provided by the Board. Much of it is obtained through outside sources: conferences hosted by various organizations such as the California Assessor's Association, in-house training days put on by an individual county assessor's office or a closely located group of counties, and appraisal courses offered through professional appraisal institutions.

Section 671 provides that the continuing education must be conducted or approved by the Board. With respect to any training provided by the Board, Section 670 provides that the Board can not charge for any of the training it conducts. Additionally, Government Code Section 15606 provides that training instruction is part of a program designed to promote uniformity throughout the state in the assessment of property for the purposes of taxation and Government Code Section 15606.5 requires that the Board provide this training on a non-reimbursable basis. With the exception of in-house

training provided by the county assessor, most other training typically results in costs to the county – such as a conference fee or a course fee.

This Proposal

To address the needs of assessors and their staff statewide, Board staff would like to make appraiser training courses available on an online basis through a state institution of higher education, specifically community colleges. This would result in cost savings to assessors and the Board because travel costs associated with attending a classroom environment course would be eliminated (lodging, transportation, food, etc.). Delivering online courses via the aforementioned method would allow the redirecting of Board resources to meet the needs of other mandated but under-funded training activities. Use of a state institution of higher education to host online courses would facilitate delivery of training and result in cost savings to Board by avoiding system development and maintenance costs.

While the Board would be conducting the training, these institutions typically charge fees. These fees are not paid directly to the Board nor would any part of the fees be ultimately remitted to the Board. Due to the prohibition in Government Code Section 15606.5 and Revenue and Taxation Code Section 670, the Board cannot charge for its training courses. Therefore, those sections should be modified to clarify that a fee charged by the hosting educational institution is not a charge by the Board and thus allows the Board to pursue the use of providing online courses through web-based systems used and maintained by community colleges that charge fees for online courses.

California Assessors' Association Name Change. In addition, this proposal would update the name of the assessors' association from the State Association of County Assessors to the California Assessors' Association in Sections 670(b) and 671(b) to reflect the association's current name.

Section 15606.5 of the Government Code is amended to read:

15606.5. Training of assessors and their staffs under Sections 15606 and 15608 shall be provided by the board on a non-reimbursable basis. In the case where the board provides training through an online course that is hosted by an educational institution of collegiate grade, fees paid directly to the educational institution shall not be deemed reimbursement to the board.

Section 670 of the Revenue and Taxation Code is amended to read:

670. (a) No person shall perform the duties or exercise the authority of an appraiser for property tax purposes as an employee of the state, any county or city and county, unless he or she is the holder of a valid appraiser's or advanced appraiser's certificate issued by the State Board of Equalization.

(b) The board shall provide for the examination of applicants for these certificates and may contract with the State Personnel Board to give the

examinations. Examinations shall be prepared by the board with the advice and assistance of ~~a committee of five assessors selected by the State~~ California Assessors' Association of County Assessors for this purpose. No certificate shall be issued to any person who has not attained a passing grade in the examination and demonstrated to the board that he or she is competent to perform the work of an appraiser as that competency is defined in regulations duly adopted by the board. However, any applicant for a certificate who is denied the same shall have a right to a review of that denial in accordance with the State Administrative Procedure Act contained in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) Passage of a civil service or merit system examination for appraiser given by the state, or any county or city and county, shall suffice to meet the requirements of this section. The scope of the examination shall be approved by the State Board of Equalization.

(d) No employee of the state, or any county or city and county shall perform the duties or exercise the authority of an auditor or an auditor-appraiser under Section 469 or Section 15624 of the Government Code, unless he or she holds a degree with a specialization in accounting from a recognized institution of higher education, or is a licensed accountant in the State of California, or has passed the state, or a county, or city and county, or city civil service or merit system examination regularly given for the position of accountant or auditor by the testing body, or holds the office of assessor.

(e) Except for persons holding the office of assessor, this section does not apply to elected officials.

(f) No charge shall be made to counties or to applicants for examinations and certifications under this section or for training conducted by the board under Section 671. In the case where the board conducts training through an online course that is hosted by an educational institution of collegiate grade, fees paid directly to the educational institution shall not be considered a charge within the meaning of this section.

Section 671 of the Revenue and Taxation Code is amended to read:

671. (a) In order to retain a valid appraiser's certificate every holder shall complete at least 24 hours of training conducted or approved by the State Board of Equalization in each one-year period.

Any excess in training time over the 24-hour minimum accumulated in any one year shall be carried over as credit for future training requirements with a limit of three years in which the carryover time may be credited.

Failure to receive such training shall constitute grounds for revocation of an appraiser's certificate; provided, however, that proceedings to revoke shall be conducted in accordance with the Administrative Procedure Act contained in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

Training shall include, but not be limited to, new developments in the case and statutory law and administrative rules.

(b) An advanced appraiser's certificate shall be issued by the board after an applicant has held an appraiser's certificate for at least three years and:

(1) Has successfully completed a course of study; or

(2) Has passed an advanced level examination; or

(3) Holds a valid professional designation from a recognized professional organization.

The board, with the advice and assistance of ~~five assessors selected by the State Association of County Assessors of California~~ Assessors' Association, shall prescribe the course of study, prepare the advanced level examination, and approve the professional designation.

In order to retain a valid advanced appraiser's certificate, every holder shall complete at least 12 hours of training in each one-year period.

Any excess in training time for the advanced appraiser's certificate over the 12-hour minimum accumulated in any one year shall be carried over as a credit for future training requirements with a limit of two years in which the carryover time may be credited.

Failure to receive such training shall constitute grounds for revocation of an advanced appraiser's certificate; provided, however, that proceedings to revoke shall be conducted in accordance with the Administrative Procedure Act contained in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

Training to retain the advanced appraiser's certificate shall include, but not be limited to, new developments in the case and statutory law and administrative rules.